

2015 JUL 13 AM 8:40 ✓

DONNA McQUALITY, CLERK

Peter J. Mollick Pro Se
3124 W. Sunnyside Ave
Phoenix, AZ 85029
602-942-5151
pmollick@cox.net

BY: A. DIXON

Verde Ditch Shareholder
1185 S. Canal Circle, Camp Verde, AZ 86322

IN THE SUPERIOR COURT IN THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF YAVAPAI

GEORGE W. HANCE, et. Al.,)

Plaintiffs,)

Vs.)

WALES ARNOLD. Et ux., et al.,)

Defendants,)

In the matter of the VERDE DITCH)
COMPANY)
-----)

No. P1300CV4772

Division 1

**DISCUSSIONS OF EVENTS
DURING THE PROCEEDINGS OF THE
MEMORANDUM OF UNDERSTANDING
BETWEEN SALT RIVER PROJECT
AND THE VERDE DITCH COMPANY**

To the Honorable Judge David L. Mackey,

I wanted to introduce myself to the court and also apologize for entering these Historic Water Rights proceedings a little late in the process.

My name is Peter Joseph Mollick. I am 56 years old. I have been an electrical contractor in the state of Arizona since 1985. My company is named "Redlin Electric & Lighting LLC". I

purchased a Camp Verde land parcel # 404-01-015 in 2004 and have irrigated and farmed the land every year since purchase to the current year. I have 2 tractors and at least 20 farming implements on the property for the past 8 years. My property has been deemed "Purple Lands" by SRP. SRP has not attempted to contact me or my neighbors.

The main reason I was delayed in entering these water rights proceedings was the result of a trip to the emergency room at St. Joseph's hospital and Medical Center in Phoenix. May 6th of 2013, I entered the emergency room with a rapid heartbeat caused by a condition called Supraventricular tachycardia, (SVT) for short. After many radiation tests and drug injections, I came out of the hospital in worse condition than when I went in. I was pretty sick for over a year, ended up with a condition call Photosensitivity to the sun, which I am still dealing with, the Mayo Clinic verified the condition with a test. I did kept my contracting business going, mainly in thanks to two great employees. I did recently have some improvement of my health and found out about these water rights proceedings around the end of May 2015. I do not remember seeing any information from the Verde Ditch Company offices in the mail pertaining to this MOU. Although I do receive my assessment cards in the mail.

I feel these proceedings are one-sided and very unfair to the Shareholders of the Verde Ditch. We feel like we are left out of the entire process and receive virtually no support from the commissioners or our attorney, Mr. Richard Mabery.

As soon as I found out about the MOU from a neighbor, I read the Hance Vs. Arnold court Rules and Regulations that were Promulgated in 1989. I went to the Verde Ditch Company Offices and put a request in writing for a commissioners meeting with five of us Shareholders. Al Dupuy called me back on the phone and we discussed having a meeting and a meeting was setup that same day with all five commissioners. Five Shareholders including myself attended the meeting and we did get some

questions answered and started getting a better picture of what was happening. I received a copy of the MOU and started reading the document. I read the document carefully and was shocked to discover this SRP written document was written favorably to SRP and not so favorably to the Verde Ditch Shareholders. I then submitted to the court a series of objections and motions regarding this MOU.

I questioned Al Dupuy about the next quarterly Shareholders meeting on June 23rd and asked him about how much time I would have available to speak to the attendees and other Shareholders. He eventually was gracious enough to put me on the itinerary to speak for about 30 minutes.

The below paragraphs are my recollections of the June 23rd 2015 Shareholders Meeting.

After listening to Mr. Mabery speak before I spoke, I realized virtually all of his opinions regarding this MOU were in favor of the MOU with no objections at all to the MOU. Mr. Mabery spoke very adamantly of all of the advantages of this MOU to the Shareholders while never mentioning some of the disadvantages such as SRP gaining expressed Veto power of the Severances and Transfers that may be initiated for some of the land parcels. This MOU would even allow SRP to over-rule our Ditch Master in this process. The "Arizona Revised Statutes" are still unclear on the veto power of SRP in this process without this MOU being in effect, and in addition SRP is not mentioned in the A.R.S. as SRP would be mentioned in the MOU. This expressed Veto Power for SRP is very worrisome to the Shareholders, as we will lose some rights.

I was then able to address the Shareholders at the meeting and I did express many concerns I have for the MOU and how this MOU affects the Shareholders. Some of the claims Mr. Mabery was making such as SRP holding shares in the Verde Ditch and being partners with us seemed a little hollow.

- I believe SRP holds only 27 shares in the Verde Ditch. That hardly makes them partners.

- I discussed how SRP was classifying the “Purple Lands” as non-use of irrigation water while SRP did not perform due diligence in checking out these claims. They have not talked to neighbors or checked multiple aerial photos of the lands to verify their findings. A portion of Commissioner Vern Hilbers parcel was even deemed “Purple Lands” by SRP. He planted grain on his regular schedule 2 days after the aerial photo was taken that SRP used to classify the parcel Purple.
- I discussed some of the SRP claimed advantages of this MOU that were not very advantages at all such as recording the water rights with the county recorder. The county recorder does not check the legality of a recorded document and cannot secure water rights. The ADWR is the right state department for the water rights recording.
- I did relay to the other Shareholders that I submitted a motion to the court for a vote on this MOU by the Shareholders per the Hance vs. Arnold rules. Most Shareholders were happy with that statement.
- Most all shareholders answered they did not understand the MOU when I asked them if they understood it.

After I was thru speaking to the Shareholders, I was very surprised that I received a round of applause. I was shocked.

After I returned to my seat, some of the Shareholders were fielding questions to Mr. Mabery and many of the Shareholders were not happy with the answers.

- Some of the Shareholders asked MR Mabery if the Shareholders can vote on this MOU. No answer from Mr. Mabery. Again the Shareholders asked about him putting up a motion for a vote. He responded, why should I put up a motion? Pete already did. I asked Mr. Mayberry to put the motion in himself because he represents us. No answer.

- Some of the Shareholders said they needed legal questions answered on this MOU and Mr. Mabery responded, retain a lawyer if you do not understand the MOU. The Shareholder responded, you are our lawyer. This conversation was upsetting to many of the Shareholders.

The SRP Representative Bruce Hallin then stood up in the back and stated that the MOU is voluntary and you can get out of it at any time. I reluctantly responded that the MOU will affect all Ditch users and the conditions to get out of it are tough to meet. I asked permission to read the MOU section and Al Dupuy had me read off the **3. Term and Termination** conditions in the MOU, which resulted in the SRP representative Bruce Hallin not responding.

End of my recollections of the June 23rd 2015 Shareholders meeting.

This debating of the MOU with our attorney and the SRP representatives was very informational to the Shareholders and allowed the Shareholders to get the tough questions answered. Many of the Shareholders were not happy with our representatives after the meeting.

Two days later on June 25th, I received an email from Rebecca Davidson at SRP. She is a senior water analyst at SRP. She invited me to a sit down meeting with herself, Bruce Hallin and Lucas Shaw, all From SRP. I did accept and we met for 2 hours at their Tempe, AZ office on July 1st 2015. We talked and argued about what is in the MOU and also what SRP's intent is with the MOU. I tried to get them to stick to the wording of the MOU in the discussions with minimal success. I stressed to them that the success of this MOU hinges on finding "Purple or Green Lands" owners willing to give or sell their Historic Water Rights to the "Orange Lands" owners. I also said I am having a hard time finding any "Purple or Green lands" owners willing to give or sell their water rights. I talked to about 5 "Purple Lands" including myself. Rebecca did ask what I suggested we do from here on out and I suggested performing a feasibility study to see if there are sufficient Historic Water Rights available to transfer to the "Orange Lands" owners to make this MOU worthwhile. If

this study cannot locate enough "Purple or Green Lands" owners willing to Severance and Transfer water rights, why continue with this MOU. I suggested this MOU should not be signed until a feasibility study is completed. She admitted SRP did not perform due diligence on checking the recent water use of the "Purple Lands" parcels. I relayed to Rebecca, I will attempt a pilot study myself to see what "Purple or Green Lands" owners have to say about Severing and Transferring Water rights.

I put in a written and signed request (**exhibit 1.**) to the VDC on July 2nd 2015 for a Shareholder Records request for legitimate purposes to complete a feasibility study of the Purple and Green lands to determine possible Water Rights Transfers to the Orange Lands. A commissioner called me back after I had already left town and told me I needed to fill out their required paperwork for this request. The VDC offices were to be closed on July 3rd for the July 4th holiday, so the commissioner told me to re-submit the request on July 6th. (**exhibit 2.**) I did resubmit the request on July 6th and received a response from Mr. Mabery that the costs for the request are yet to be determined. This response from Mr. Maybery was not dated with a Court stamp. I do not know if it was submitted to the court. (**exhibit 3.**) I still have not heard from Mr. Mabery or the VDC about the costs of the information request or when the information will be available.

On July 6th 2015, I emailed Al Dupuy and asked for a commissioner meeting to discuss some of the details of the MOU. I did not here back from Al. I received a postcard approximately on July 6th 1015 from the VDC that there will be an emergency shareholders meeting on July 9th 2015. I emailed Al Dupuy on July 7th 2015 and brought up the commissioners meeting again and also asked about the emergency shareholders meeting and if any Shareholders can speak directly to SRP or our attorney and if so what kind of a timeline do we have to speak. Al emailed me back and said the meeting is informational only based on the one in January and questions will be taken on a postcard to read for the panel. (no debating) Maybe a short time at the end for the shareholders to speak to each other and not the panelists.

On July 8th I emailed Al back and asked if the Shareholders will have equal time to present their case to the other Shareholders about this MOU? (**exhibit 4.**) I mentioned we want equal time, that is fair. Al responded on July 8th 2015 that shareholder to shareholder comments are at the end, and during a short time only, the presenters are the VDC and SRP. Questions will be submitted on post cards. (no debating). Al responded a commissioners meeting will be available after the July 9th meeting. I have not had a response back from Al.

At the emergency Shareholder meeting on July 9th 2015, I would guess there were about 90-100 people in attendance. The main portion of the meeting consisted of Mr. Mabery and the SRP attorney promoting the advantages of the MOU agreement. The promotion of the MOU agreement was one sided in nature without anyone being able to directly verbally ask a question or debate any of the Panelists. At the end of this shareholders meeting, I was given 5 minutes to speak to the other Shareholders only, many of them had already left, but I did speak to the remaining people in attendance. I was not allowed to speak to the panelists that spoke during the regular portion of the meeting. The meeting was very frustrating for me. At one point in the meeting one question from a Shareholder was asked if the Verde Ditch Website could post all of the documents submitted to the court in this case. Mr. Mabery responded that would be too expensive. I found that answer completely wrong considering the importance of the Shareholders need to know what is happening in the court case.

Myself and an assistant handed out a paper printout of my opinions (**exhibit 5.**) of the MOU prior to the meeting commencing. We handed out about 80 copies of the "Pete Mollick's opinions on this MOU". Most all of the Shareholders accepted them and some Shareholders even asked for more copies. SRP did not accept them. On the heading of the first page we suggested the Shareholders attend a Shareholders meeting (not sponsored by the VDC) on July 11th at the Town of Camp Verde Farmers market Ramada on Hollamon Street. The Town gave us permission for the

meeting. I did send an email to Mr. Maybery, The SRP attorney and the commissioners inviting them to attend the meeting on July 11th, all declined to attend.

The July 11th Shareholders non-VDC sponsored meeting was mildly successful. We had about 21 people in attendance and we discussed many of the sections of the MOU and our concerns about these sections in question. Section 12.4 is of particular concern among other sections. We did conduct a written survey with 3 questions answered and will include this survey to the court with this complaint. (exhibit 6.) To have a more successful Shareholders meeting put on by the Shareholders, we need a Verde Ditch Company Sponsored and advertised Shareholders meeting. More Shareholders would take the meeting seriously if sponsored by the Verde Ditch Company. I do not have the finances to create such a meeting.

SUMMARY:

Myself and possibly other Shareholders believe the only risk to the Verde Ditch Shareholders to progressing as usual without this MOU agreement being signed and completed with SRP is the risk of the "Orange lands" parcels not receiving Historic Water Use rights during the adjudication process coming due in the future. We do not believe the "Green or Purple Lands" parcels are at risk. They both have Historic Water Use records.

I do not see this MOU agreement as feasible for protection of the "Orange Lands" water rights for the near future or during the Adjudication process. There is no feasible evidence that there is even the slightest number of acres with Historic Water Use rights available for Severance and Transfer to the "Orange lands". Let alone the "Orange Lands" owners being able to afford the asking price of these Historic Water Use rights that would most likely be up for sale if any were available. I do not think anyone will give them away for free, they are valuable. Both of these variables have not been addressed by SRP or the Verde Ditch Company. A competent feasibility study should be commenced and finished before considering the signing of this MOU agreement between SRP and the

VDC. SRP did concede at the July 9th 2015 Shareholders meeting that they are unsure of the Historic Water Use rights available for Severance and Transfer to the “Orange Lands”.

The risks I see if the VDC signs this MOU agreement with SRP is that there will not be much available Historic Water Use rights available for Severance and Transfer and then SRP will invoke section 12.4 of the MOU and force the VDC to discontinue water deliveries to the “Orange Lands”. Also SRP may seek to challenge the Historic Water Use rights to the “Purple lands” claiming abandonment by non-use. Nowhere in the MOU does it say SRP will not challenge the water rights of the “Purple Lands” parcels. In at least 3 different paragraphs of the MOU, SRP says they will not challenge the water rights of the Green Lands or the Orange Lands if the Orange lands complete a Transfer of Historic Water Use rights.

I do not believe the “Orange Lands” parcels are at risk of losing their water rights prior to the adjudications Process even if the VDC does not sign this MOU agreement. I do not think SRP has expressed interest in challenging these “Orange lands” water rights. I also think if it were possible for SRP to challenge these “Orange Lands”, they would have done so a long time ago.

Also in a published research paper by Arizona State University law professor Joseph Feller called “The adjudication that ate Arizona water law”, Feller says in his article, ADWR never promulgated the rules necessary to enforce the water laws, so there is currently no administrative process for enforcement of water rights in Arizona. Feller asserts that even though water lawsuits have been considered, they can’t proceed in court because of the never-ending water adjudication case.

I believe there is a far more desirable plan to produce Historic Water Use rights for the “Orange lands without detrimentally affecting the other Shareholders water rights. The Original 1909 Hance vs. Arnold court case states in the exhibits that there were two different water rights claims of 1170 acres and 1200 acres. (exhibit 7.) I will use the 1200 acres number for ease of adding and subtracting. The SRP written MOU agreement states the VDC has 1076 acres currently irrigated under Historic Water Use rights, excluding the “Orange lands”. The 1076 acres would

also include the areas occupied by concrete slab buildings such as residential houses and concrete slab driveways. The 1076 acres I believe excludes roadways and easements.

The Verde Ditch Company could possibly transform itself into an Irrigation district similar to the many irrigation districts in the Phoenix area. The Sunburst Farms Irrigation District is one of those. www.sbfid.com is their website. According to SRP and their talk at the Shareholders meeting on July 9th 2015, Irrigations Districts have much lower costs when they perform a Severance and Transfer within the same irrigation district. The ADWR does not have to be involved in these irrigation district transactions according to SRP. This would possibly allow the Verde Ditch Irrigation District to perform a Severance and Transfer of all of the roadways and easements that were initially claimed in the 1909 Hance vs. Arnold Court case and move them to the Orange Lands with relative ease. Most likely these roads and easements consist of approximately 120 acres. I do not believe these easements and roadways have had their water rights abandoned or forfeiture by the state. Also all of the acreage under concrete slabs could possibly be transferred to the "Orange lands". Most likely these concrete slab areas consist of approximately 45 acres. Both combined would be enough to cover the "Orange Lands" acreage. The "Orange lands" owners could pay for these administrative and survey costs and still be happy they received Historic Water Use rights.

I see no need to rush into this MOU agreement with SRP without first exploring other viable options. Especially since this SRP MOU agreement may not be feasible.

REQUESTS:

- 1) The Verde Ditch Company is an association of Shareholders. (**exhibit 8.**) I believe A.R.S. 10-2002 applies to the Verde Ditch Company. Therefore A.R.S. 10-1602 requires the Verde Ditch Company to make available the records I have requested on July 2nd 2015 and July 6th 2015.

- 2) SRP and the Verde Ditch attorney pushing for approval of this MOU agreement have had multiple informational Shareholder meetings to give their side of this complicated story. The Verde Ditch Shareholders have not had the same forum in these meetings available to them except for 30 minutes during the June 23rd 2015 Shareholders meeting.
- 3) I request a fair Shareholders meeting where the Shareholders can talk freely during the regular meeting forum with a moderator moderating the parties involved. The Shareholders should be able to ask questions and request explanations to answers given by our attorney and if in attendance, an SRP representative. A Shareholders representative should also be able to present opinions on this MOU.
- 4) I request legal counsel support and fair-minded explanations of this MOU agreement by our attorney whom is paid for by our assessment fees. This can be accomplished at a VDC sponsored and advertised Shareholders meeting where the Shareholders can verbally ask questions. Verbally asked questions are preferred to questions asked on small post cards. Many times the question is not answered effectively and the Shareholder has no recourse to further ask the question for a satisfactory answer. Post card asked questions are unfair to the Shareholder.
- 5) I would like a timely response to an information request of no longer than 5 days. Per A.R.S. 10-1602.
- 6) I would like to request an extension of time to submit objections to the court regarding this MOU agreement. This is in reference to the denial of necessary records (per A.R.S. 10-1602) needed to complete a feasibility study and prepare for the court. A 30-day extension is requested after the production of requested records is completed.

RESPECTFULLY SUBMITTED this 13 day of July 2015.

PETER J. MOLLIK

By: 

Peter J. Mollick Pro Se
3124 W, Sunnyside Ave
Phoenix, AZ 85029
Shareholder of the VERDE DITCH COMPANY

Original Hand Delivered this 13th day of July, 2015, to:

Clerk of the Court
Yavapai County – Division 1
2840 Commonwealth Drive
Camp Verde, AZ 86322

AND COPY sent by email and U.S. mail this 14th day of July, 2015, to:

Hon. David L. Mackey
Judge of the Superior Court
Yavapai County Courthouse
120 S. Cortez Street RM207
Prescott, AZ 85301

Mark A. McGinnis - Patrick Sigi
John B. Weldon, Jr.
Salmon, Lewis & Weldon, P.L.C.
2850 E. Camelback Rd., Suite 200
Phoenix, AZ 85016

Carrie J. Brennan
Theresa M. Craig
Office of the Attorney General
1275 W. Washington
Phoenix, AZ 85007-2997

L. Richard Mayberry
Law Offices of L. Richard Mabery, P.C.
234 N. Montezuma Street
Prescott, AZ 86301

Janet L. Miller
Nicole D. Klobas
Arizona Department of Water Resources
3550 N. Central Avenue
Phoenix, AZ 85012

Robyn L. Interpreter
Susan B. Montgomery
Montgomery & Interpreter, P.L.C.
4835 E. Cactus Rd., Suite 210
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Douglas A. Brown
David A. Brown
J. Albert Brown
Brown & Brown Law Offices, P.C.
Post Office Box 489
Eagar, AZ 85929

Patrick Barry
Yosef Negose
U. S. Department of Justice
Indian Resources Section, ENRD
P.O. Box 7611
Ben Franklin Station

AND COPY sent by U.S. mail this 14th day of July, 2015, to:

Don Ferguson
1695 W. Bronco Drive
Camp Verde, AZ 8632

Exhibit I

Peter Mollick

Verde Ditch Shareholder

1185 S. Canal Circle

Camp Verde, AZ

07-02-15

Commissioners,

I would like to request a list of the Purple and Green Land owners information. Names, Addresses and phone numbers.

The purpose of the request is to Survey these shareholders on possible water rights transfers per the MOU agreement being considered by the VDC. The question on the survey is if the shareholders will consider selling or transferring their Historic Water Rights to the Orange Lands parcels per the MOU agreement that is being proposed. The information of the survey will be shared with the VDC, VDC Shareholders, SRP and the judge. This survey is a feasibility study for the performance of the MOU agreement.

Time is of the essence.

Thank You



Peter Mollick

Exhibit 2

VERDE DITCH INFORMATION REQUEST

DATE: 02-06-2015, 200

NAME: Peter J. Mollick, owner of 1.5 shares in
the Verde Ditch Company, request review of the following records:

- (1) All "purple land" owners - names and addresses
- (2) _____
- (3) _____
- (4) _____
- (5) _____
- (6) _____

PURPOSE: The purpose of my request is: informing the
Purple Land owners of the VDC
and SRP Moll. The status of
their property.

I understand I will be charged \$18.00 per request. All research and the gathering of information involved in the processing of any request shall be conducted at a rate of \$65.00 per hour. All information and/or copies of information that may be provided from Verde Ditch records, shall be provided at an additional cost of 50¢ per page. The Verde Ditch will provide an estimate of the total cost of providing the requested information and/or documents, including any processing fees. I will pay the estimated sum to the Verde Ditch before the Verde Ditch completes the documents. The actual costs to complete the information shall be paid before I receive any copies and if the estimate is larger than the actual costs, then I will receive a refund for the difference.

I confirm that the copies of documents received and all documents reviewed are for the express Purpose stated above and any use of a document or information for any purpose except as stated above may be improper and/or illegal.


Shareholder

Estimate of Costs: \$ _____

DATE: _____ PAID: _____

Exhibit 3

L. Richard Mabery, Esq.
L. RICHARD MABERY, P.C.
234 North Montezuma Street
Prescott, Arizona 86301
(928) 778-1116
maberypc@cableone.net

State Bar I.D. No. 005188

Attorney for Verde Ditch Company

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF YAVAPAI

GEORGE W. HANCE, et al.,

Plaintiffs,

vs.

WALES ARNOLD, et ex., et al.,

Defendants.

No. P1300CV4772

Division I

**NOTICE OF FILING VERDE DITCH
INFORMATION REQUEST RECEIVED
FROM PETER J. MOLLICK**

In the matter of the VERDE DITCH
COMPANY

The Verde Ditch Company, pursuant to the Minute Entry of the Court dated April 8, 2015, files the attached Verde Ditch Information Request from Peter J. Mollick, Shareholder.

Mr. Mollick's request for information was received by the Verde Ditch office on July 6, 2015 and the estimated costs to provide such information has yet to be determined. It should further be noted that the "purple" designation of lands remain preliminary and are subject to continuing revision and modification as documentation continues to be examined.

COPY

A copy of this Notice has been mailed to Mr. Mollick, 3124 W. Sunnyside Ave., Phoenix, Arizona 85029 and a copy also mailed to all of the joined parties currently on the Court's mailing list as set forth below.

RESPECTFULLY SUBMITTED this 6th day of July, 2015.

L. RICHARD MABERY, P.C.

By: 

L. Richard Mabery, Esq.

Law Offices of L. Richard Mabery, P.C.

234 North Montezuma Street

Prescott, Arizona 86301

Counsel for the Verde Ditch Company

ORIGINAL of the foregoing
filed this 6th day of July,
2015 with:

Clerk of the Court
Yavapai County Court
120 South Cortez Street
Prescott, Arizona 86303

COPY hand-delivered this
6th day of July, 2015
to:

The Honorable David L. Mackey
Judge of the Yavapai County Superior Court
Division I
120 South Cortez Street
Prescott, Arizona 86303

Law Offices of
L. Richard Mabery, P.C.
221 North Maricopa Street
Phoenix, Arizona 85011-3104
(602) 771-8111

COPIES sent by U.S. mail this
10th day of July, 2015 to:

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Counsel for SRP

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Counsel for Monroe Lane Neighborhood Coalition

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Indian Resources Section
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Janet L. Miller, Esq.
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Counsel for Arizona State Parks
NaturalResources@azag.gov

Mr. Don Ferguson
1695 W. Bronco Drive
Camp Verde, AZ 86322

By: Cheryl Roberts
chr

VERDE DITCH INFORMATION REQUEST

DATE: 67-06-2015, 200

NAME: Peter J. Mollick, owner of 1.5 shares in the Verde Ditch Company, request review of the following records:

- (1) All "purple land" owners - names and addresses
- (2) _____
- (3) _____
- (4) _____
- (5) _____
- (6) _____

PURPOSE: The purpose of my request is: informing the Purple Land owners of the VDC and SRP Moll. The status of their property.

I understand I will be charged \$18.00 per request. All research and the gathering of information involved in the processing of any request shall be conducted at a rate of \$65.00 per hour. All information and/or copies of information that may be provided from Verde Ditch records, shall be provided at an additional cost of 50¢ per page. The Verde Ditch will provide an estimate of the total cost of providing the requested information and/or documents, including any processing fees. I will pay the estimated sum to the Verde Ditch before the Verde Ditch completes the documents. The actual costs to complete the information shall be paid before I receive any copies and if the estimate is larger than the actual costs, then I will receive a refund for the difference.

I confirm that the copies of documents received and all documents reviewed are for the express Purpose stated above and any use of a document or information for any purpose except as stated above may be improper and/or illegal.


Shareholder

Estimate of Costs: \$ _____

DATE: _____ PAID: _____

Exhibit 4

Date: Monday, July 6, 2015 7:16 PM
From: pmollick@cox.net
To: Verde Ditch <verdeditch@yahoo.com>
Subject: VDC & SRP MOU

Al,

I would like to get a meeting scheduled between myself and the commissioners to discuss some of the details of this MOU and also the Arizona Revised Statutes that the Supreme court deemed invalid in 1999. The A.R.S. that were deemed invalid will play into what will happen if this MOU is signed by the two parties. I believe we could be risking us having water rights takes from us and not applied to the Orange Lands.

When water rights are relinquished because of nonuse, they revert back to the state per A.R.S. 45-189(A) Then they can be appropriated by another appropriator. The first one to grab them, gets them. If the Purple Lands to not cooperate with a voluntary Severance and Transfer, the next step is to revert them to the state because of nonuse.

A simple clause inserted in the MOU would prevent that from happening to us.

"Any water rights that have been reverted to the state because of nonuse will be appropriated back to the Verde Ditch Company"

If you and the other commissioners can make some time, even 30 minutes, I think it would be beneficial to discuss these situations further.

Thanks,
Pete Mollick

Date: Tuesday, July 7, 2015 5:29 AM
From: pmollick@cox.net
To: Verde Ditch <verdeditch@yahoo.com>
Subject: Pete Mollick

Al,

One of the reasons I would like to meet with the commissioners is to talk to you guys about the 2 hour meeting I had with SRP last Wednesday. I think we cleared the air a little bit on this MOU and the problems with it proceeding. 30 minutes is all I am asking for.

On another note, at the meeting on Thursday that is coming up, What kind of forum do we have for the shareholders to speak?

- Can the shareholders ask questions directly to the attorney or SRP without writing the question down on the cards?
- What kind of time limit does each shareholder have for asking questions or making statements?
- Can shareholders gift their 2 minutes to another shareholder?

Some of the shareholders would like these questions answered to know how to prepare for the meeting and stay within the set rules.

Thanks,
Pete Mollick

Date: Wednesday, July 8, 2015 11:28 AM
From: Verde Ditch verdeditch@yahoo.com
To: <pmollick@cox.net> <pmollick@cox.net>
Subject: Re: MOU info meeting

Pete
The format for the informational meeting has been set based on the last one we had in January. We will be using a moderator to conduct the meeting since the last meeting went extremely well and was a success. A presentation explaining the MOU and coming events will be made. Questions shareholders have will be taken on postcards and read to the panel for answers. Time permitting there may be an opportunity for shareholder to shareholder comments on the amended MOU and proposed administrative order; however this may be a short time. The moderator will determine time allotted to each shareholder for comments.

Respectfully
Verde Ditch Commissioners

Date: Wednesday, July 8, 2015 11:39 AM
From: pmollick@cox.net
To: Verde Ditch <verdeditch@yahoo.com>
Subject: Re: MOU info meeting

Al,

Who are the presenters?

Do the shareholders have equal time to present their case to the other shareholders about this MOU? Or do we have to listen to SRP only making their case. I think the shareholders presentation also deserves equal time. That is fair.

Can we skip the postcards and ask questions directly and get the answers we need? The post cards are a pain.

Pete Mollick

Date: Wednesday, July 8, 2015 1:29 PM
From: Verde Ditch verdeditch@yahoo.com
To: <pmollick@cox.net> <pmollick@cox.net>
Subject: Re: MOU info meeting

Pete
Presenters are VDC and SRP.
Time for shareholder to shareholder comments will be provided at the end.
SRP and VDC will present, not SRP only.
The questions presented by shareholders on cards will be an opportunity to express concerns and ask valid questions. That is fair. Postcards worked well
last meeting and we will not deviate from this process.
As for a meeting with commissioners that will need to be after tomorrow's meeting.
Sincerely
Verde Ditch Commissioners

These are Pete Mollick's Opinions on the meanings of this MOU Agreement. This is not legal advice. I am not an attorney. Although I do understand contracts. There may be mistakes in these opinions, come to your own conclusions.

Exhibit 5

VerdeDitchShareholders.com

There will be a Verde Ditch Shareholders Meeting on Saturday July 11th 2015 at 1:00 pm at the Camp Verde Town Ramada on Hollamon street. Farmer's Market location. This meeting is sponsored by the "Verde Ditch Shareholders" only. Not sponsored by the "Verde Ditch Company". Our Commissioners, lawyer and SRP representatives are invited.

We will be talking about the items in the below paragraphs during the Shareholders Meeting on Saturday July 11th 2015 at 1:00 pm.

Bring your copy of the SRP MOU agreement so we can dispute it.

The paragraphs listed below are not intended to be used at the "Verde Ditch Company" Shareholders meeting on Thursday July 9th 2015.

Remember, when a speaker is speaking, whether it be a shareholder, our Attorney or a SRP Representative, ask them to refer their spoken words to a # section of the MOU so you can be sure what they are saying is true.

Most of what I have heard so far from SRP and our attorney has been propaganda.

SUMMARY

As we stand right now, The Verde Ditch Share holders can sever and transfer their water right shares to any parcel that is within the boundaries of the irrigation district and long as the two land owners agree and as long as the Verde Ditch Master agrees. The Arizona Dept of water resources does not need to give their approval for us to do this. Arizona Revised Statute 45-172.

These would be the Green and Purple parcels and probably the Orange parcels on the SRP map. We can sell the shares back and forth to each other as much as we want with no problem or getting permission from anybody except the Verde Ditch Master. The Verde Ditch Master has the final say in the matter.

To transfer any water rights outside of the boundaries of the irrigation district, we would need the permission from the Arizona Department of Water Resources, and that is unlikely unless maybe the land parcel was close to the Verde Ditch.

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If we sign this MOU agreement with SRP, we will now need to get the approval from SRP if we want to move or sell or move our water right shares to any other neighbor or landowner in the Orange Lands areas. SRP will now have the final say and they will even over-rule the Verde Ditch Master. SRP would love to get their hands on this power.

At the County recorders office, you can record you water rights with them very easily. They do not check for the legality of the document. This does not give you any additional water rights. The recording just makes the information you record a public record. This does not secure your water rights. Only the Arizona Department of Water Resources can secure your water rights. We already have those water rights secured thru the Verde Ditch Companies recording the Arizona Department of Water Resources. We do not need SRP to record at the county recorder for us. It will not secure our water rights.

If this agreement is signed and the Verde Ditch Company and SRP do not recognize the Purple Lands as having Historic Water Rights, there will most likely be many lawsuits from land-owners in the "Purple Lands" that will sue SRP and the VDC to gain their water rights back if they are not recognized by the Verde Ditch Company. I believe most Purple Land owners will recapture their water rights because according to state law, the Arizona Dept of Water Resources needs to summons those land owners and set a evidentiary hearing to show cause to initiate water rights abandonment. In the hearing the landowner can show evidence of having and maintaining their historic water rights. ARS 45-189. This might cost the VDC a large amount of money in legal fees and raise the yearly assessment to the shareholders to a very heft payment. We all will get to pay the attorney \$300.00? an hour to defend the Verde Ditch Company.

In the MOU sections (6.1) (7.2) (11)(12.2) it says SRP will not contest the water rights for the Green Lands or the Orange Lands. I cannot find anywhere in the MOU where SRP says they will not contest the water rights for the Purple Lands. I am assuming SRP will contest the water rights for the Purple Lands later on when the Purple Land Owners do not agree to a voluntary Severance of their water rights.

I can see the lawsuits piling up already. Maybe we should raise our yearly assessment right now to get ready for these Purple Lands lawsuits. I am listed as Purple and I can tell you right now, I will be filing suit if my water rights are in jeopardy. The MOU specifies the Verde Ditch Company needs to follow the MOU rules which most likely means I will also be suing the Verde Ditch Company.

I Think a better proposal to the problem of the Orange lands not having Historic Water Rights would be to transfer all of the acreage water rights that are under every concrete slab building and concrete slab driveway in the irrigation district to the Orange lands for a start to them achieving Historic Water Rights. This was not my idea, I read about this idea in the Camp Verde Bugle newspaper a few years ago, it was recommended by a town council member.

It appears the Yavapai-Apache tribe did get out of this MOU agreement. They did not like it either. SRP did confirm to me, the tribe is out of the agreement.

The "Purple Lands" parcels in this SRP MOU agreement are the big problem in this poorly written agreement. I do not believe any one of them are willing to transfer or sell their water rights to the "Orange Lands" Parcels. And that throws a wrench in this whole mess of an agreement. I personally do not think the "Purple Lands" should let their water rights go.

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MOU LINE ITEMS TO DISCUSS

RECITALS

- A. No comment
- B. No comment
- C. No comment
- D. No comment

E. There apparently has been very little delineation between SRP and VDC in describing the "Purple Lands". Virtually no investigations have been completed on individual properties besides an aerial photo.

F. No comment

G. No comment

H. In this letter section, it states that the MOU is not intended to address or resolve any attributes of any water rights other than Historic Water Use exists for particular parcels of land. Issues such as priority dates, quantity, purpose of use, and season of use are specifically left for resolution in some other form or agreement; Don't let this section fool you, they are looking at usage of the irrigation water over a 5 year period.

1. Incorporation of Recitals and exhibits.
 - a. In the Recitals, E. and H, are written to confuse.
 - b. In the exhibit map. There are many errors in describing the "Purple Lands". There have been no individual parcel investigations performed as required to be accurate.
2. Effectiveness. The date this document is signed, everything in the document can be enforced.
3. Term and Termination.
 - a. This thing never ends, it keeps renewing automatically.
 - 3.1 Both parties have to agree to terminate. SPR will most likely not agree. We are stuck in it.
 - 3.2 We cannot terminate this agreement by ourselves unless SRP does not meet some of the completion dates. This will never happen, SRP will make sure of that.
 - 3.3 SRP will make sure they meet the completion dates.
 - 3.4 We cannot terminate this agreement unless we show good cause. Try showing good cause in a court of law with our 1 lawyer against their staff of lawyers. It will cost us a lot of money at \$300.00 per hour to hire the lawyer. We will not be able to afford it.
4. Definitions.
 - 4.27 - "Verde Ditch HWU Lands"

This definition is possibly incorrect. Subsection 5.3.01 describes the HWU land as 1067.7 acres served by the Verde Ditch having Historic Water Use. The 1909 Hance v. Arnold court has documents submitted that state 1170 acres as HWU and another statemet of 1200 acres as HWU. THIS NEEDS TO BE LOOKED AT BY US AND NOT ONLY SRP.

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5. Working Understanding on Verde Ditch HWU Lands, Green lands, Purple Lands, and Orange lands.

5.1 The parties are SRP and the VDC only, Most shareholders have received none of these records.

5.2 This section says the Working Understandings are preliminary and are not binding on the Parties or on any other individual or entity. Section 5.4 says a common determination between the parties is needed to change the working Understandings. If a common determination is not reached, the Hance v. Arnold court will decide, which may make the preliminary Working Understanding binding to all parties. 5.2 will possibly become binding in particular situations. The Working Understandings are the Historic Water Use of particular parcels.

5.3 Acreage totals:

The Historic Water Use of the ditch is disputed, the 1909 court verdict has evidence submitted showing 1170 acres and or 1200 acres. See the exhibit. THIS NEEDS TO BE LOOKED AT BY US AND NOT ONLY SRP.

5.4 Common determination and may be binding.

Section 5.4 says a common determination between the parties is needed to change the working Understandings. If a common determination is not reached, the Hance v. Arnold court will decide, which may make the preliminary Working Understanding binding to all parties.

5.5 Request of records:

If you need information on any matter, you will have to pay SRP to get that information for you. Right now we have all of our information and it is free to us. Attorney-client privilege or other applicable will prevent. Not good for the shareholders.

6. Interim Actions During Pendency of this MOU.

6.1 Not contesting the water rights for the green or orange lands only:

a) SRP will not contest the Green or Orange lands. What about the Purple Lands, they are apparently going to contest the water rights on these Purple Lands. I can see the lawsuits piling up already. Maybe we should raise our yearly assessment right now to get ready for these Purple Lands lawsuits. I am listed as Purple and I can tell you right now, I will be filing suit in Superior court even though it will raise my own assessment fee. The MOU specifies I need to file suit against the VDC and SRP because they both are in the agreement.

b) SRP can now also provide financial assistance to other parties contesting our historic water rights. Great, they have very deep pockets to hire a truck-load of lawyers.

6.2 VDC cannot contest the rights of SRP:

a) Now the VDC cannot contest the existence of any SRP rights in any proceedings. Well that about completely ties our hand up. We cannot fight to defend our own shareholders now.

6.3 No comment

7. Agreement Upon the Existence of Historic Water Use for Green Lands.

7.1

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a) The Green Lands already have historic water rights, there is no reason to discuss this with SRP, the State of Arizona is not going to attempt to take these Water rights away.

7.2

a) The Green Lands already have historic water rights, there is no reason to discuss this with SRP.

b) The rest of this paragraph is just more restrictions on us that we do not need. We need the permission of the MOU which means SRP to sever or transfer. This is starting to feel like a homeowners association where you need permission for every little thing.

7.3 Yavapai county recorder recording.

Who cares, it does not give the property owner and new water rights. It does not even have to be a legal document to be recorded with the county recorder. All it does and make the records available to the public if the public wants to look at these records even if they are not legal.

a) Who cares if it is recorded in the Yavapai County Recorders Office. This does not give us any new or better rights, it only makes it a public record. I am recording my own water rights document at the Yavapai County Recorders Office. As far as I am concerned it only counts for water right protections when they are recorded at the Arizona Department of Water Resources.

8. Facilitating Severance and Transfers from Purple or Green Lands to Orange Lands.

8.1 Severance and Transfers encourage voluntary.

a) It says the parties (VDC & SRP) will seek to encourage voluntary transactions between the owners. What happens when the voluntary encouragement fails, which I am sure it usually will. Does it become mandatory and by force? Or do we end up in court at \$300.00 per hour for the VDC attorney?

8.2 No comment

8.3 Severance and Transfer needs SRP approval.

a) Any Severance and Transfer agreement included in this section 8. will have to be at the consent of SRP. SRP now will be able to override the commissioners and even the Ditch Master. They will control us in this regard. Great, just what I want to do, beg SRP to allow me to do something.

8.4 Individual parties severance and transfer, still needs SRP approval:

a) If this MOU is signed, even if the individual land owners decide to perform a Severance and Transfer, they still need to get the approval from SRP if it is from the Green or Purple lands to the Orange lands. The VDC has to abide by the MOU agreement if it is signed and in that case they will have to let SRP know there is a Severance and Transfer happening and SRP will say yes or No. Probably No.

8.5 Recording not necessary with the county recorder:

a) Again, here we need approval from SRP to perform any Severances and Transfers.
b) SRP is verifying the Orange lands are in our irrigation district by claiming we do not need to let the Arizona Department of Water Resources know when we perform a Severance and Transfer on these Orange Lands.

8.6 Severance & transfer:

a) Again SRP consent is needed.

8.7 Approval still needed for a severance and transfer:

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a) State law states that the property owners cannot sever or transfer irrigation water rights without the permission of the irrigation district. ARS 45-172 (4) If the VDC signs this MOU agreement, the VDC will have to abide by the agreement that says SRP also needs to approve the Severance and Transfer of the water rights or it does not happen.

9. Securing Additional Water Rights if Purple or Green Lands are not sufficient.

9.1 Some Purple Lands severances might be voluntary, Maybe.

a) This section does not say all severances from the Purple Lands are voluntary. This section only talks about possible voluntary severances from the Purple Lands.

b) There probably is not enough acreage available from the purple lands to transfer to the Orange lands because most people that own Purple Lands water rights are not going to voluntarily give them up without a fight.

9.2 If the voluntary severance and transfers are not enough, Look for others.

a) This section 9.2 deals with securing additional water rights when the Green or Purple water rights are not available. The wording is not saying that the severance and transfers all are voluntary. It just says, when the voluntary Severances and Transfers run out. The section 8.1 that deals with the Green or Purple Land area does not say the Severance and Transfer is voluntary, it only says the parties will seek to encourage voluntary transactions between the owners. What happens when the voluntary encouragement fails, which I am sure it usually will. Does it become mandatory and by force? It also says SRP and the VDC are not requires to pay for any Severances and Transfers.

9.3 Consent again needed from SRP.

a) Any Severance and Transfer agreement included in this section 9. will have to be at the consent of SRP. SRP now will be able to override the commissioners and even the Ditch Master. They will control us in this regard. Now in this new MOU SRP removed the requirement to follow Arizona Revised Statutes Laws for this section. Those Arizona laws protect our water rights by giving us hearings and a chance to present evidence on why we should keep our water rights incase someone wants to take the water rights away from us.

9.4

a) Per A.R.S. 45-172(A) the landowners must agree to the severance and transfer for it to happen. This 9.4 section does not state the owners will agree. The agreement also says the court will provide notice to the landowners. This is similar to the ADWR giving notice to a landowner for an abandonment procedure.

9.5 No comment.

9.6 Water rights contesting by SRP to not happen and Giving SRP approval again.

a) We gain water rights by having those water rights recorded with the Arizona Department of Water Resources. I do not believe recording water rights with the Yavapai county recorders office gives us any additional water rights or any additional legal advantage in holding those water rights. This is a non-issue.

b) SRP has apparently not contested the historic water rights on these orange lands in the last 50 years anyway. If they wish to contest these water rights, I believe they will have to ask the Arizona Department of Water Resources to start hearings on a particular property. In that case the property owner will have a chance to provide records and evidence to defend his or hers water rights.

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c) This section also limits what the parcel owner can do with those water rights. The new owner cannot sell or transfer the water rights without the consent and approval of SRP.

9.7 No comment.

9.8 No comment.

10. Reconciliation of Verde Ditch Shares.

10 No comment.

11. Reasonable Progress Toward Completion.

11 SRP says they will transfer historic water use to the Orange lands and agree upon the existence of Historic Water use for the Green lands. They say nothing about Historic water use for the Purple Lands. Apparently the Purple Lands will not receive Historic Water Rights.

12. Final Settlement Agreement on Verde Ditch Historic Water Use.

12.1 No comment.

12.2 Not contesting the green or orange lands:

a) SRP will not contest the Green or Orange lands. What about the Purple Lands, they are apparently going to contest the water rights on these Purple Lands. I can see the lawsuits piling up already. Maybe we should raise our yearly assessment right now to get ready for these Purple Lands lawsuits. I am listed as Purple and I can tell you right now, I will be filing suit in Superior court even though it will raise my own assessment fee. The MOU specifies I need to file suit against the VDC and SRP because they both are in the agreement.

b) SRP can now also provide financial assistance to other parties contesting our historic water rights. Great, they have very deep pockets to hire a truck-load of lawyers.

12.3 In the Final Settlement agreement, VDC shall agree, in writing, to not contest the existence of the SRP Rights in any Proceeding.

a) Now the VDC cannot contest the existence of any SRP rights in any proceedings. Well that about completely ties our hand up. We cannot fight to defend our own shareholders now.

12.4 VDC has to limit water delivery:

a) If the MOU is approved and signed, this agreement will possibly force the VDC to stop serving the Purple lands with water. If the Purple Land owner sues for the return of their water rights, the Purple Land owner will also need to sue the VDC. The VDC will possibly be bound by this agreement to stop service to the Purple Lands.

12.5 The agreement is binding and final upon approval by the court.

a) This agreement is a "Memorandum of Understanding". These types of agreements are usually used when you cannot or do not want to follow state or federal laws. It is a private agreement among the parties.

12.6 Good faith cooperation.

a) Again, SRP will have the say so whether anything will change after the agreement is signed. Section 5.4 says there needs to be a common determination by the parties.

13. Binding agreement:

a) This section says this agreement will stay in effect thru generations.

b) This MOU will be almost impossible to terminate by the VDC. This agreement will automatically renew itself every two years after the automatic renewing after the

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first five year period. We will be locked in for a very long time. It does take both parties to agree to reconcile any remaining discrepancies regarding the Verde Ditch shares.

14. More restrictions:

a) This section says it will be very hard to prove a party to the agreement did anything wrong to allow the other party to void the agreement.

15. Controlling Law Jurisdiction and Venue.

a) This section is trying to limit our regress in any court but the Hance v. Arnold Court. That is not good news for us. There is a limited amount of regress in that court for a damaged party. We have the right to apply all of the Arizona State Statutes for regress.

b) We have the right to all Arizona State Statutes for redress, especially for a hearing on the abandonment or severance of water rights.

c) This provision will limit what the VDC can do.

16. Transaction costs:

a) It will be expensive to negotiate and execute the MOR. We have very little money left as it is.

17. Attorneys fees and costs:

a) We will never be able to match the attorneys fees of SRP. The VDC might never contest SRP or attempt to litigate with SRP, SRP could easily bankrupt the VDC and the Shareholders.

18. Entire agreement:

a) This agreement cannot supersede previous agreements or understandings concerning Arizona State law and the A.R.S. state statutes.

19. Change of name or adress:

No comment

20. Amendments:

No comment

21. Time of Essence:

a) Time is not of the essence under this MOU. There is no reason to be hasty in this agreement.

22. Severability of the MOU

No comment

23. Not Partners:

No comment

24. Interpretation:

Try to figure this one out. I bet the attorneys writing this section had a real good laugh.

25. Counterparts:

No comment

26. Not Precedent:

No comment

27. Individual Rights:

No comment

28. No third Party Beneficiaries.

No comment

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Index for the Line Items

Changing the land records after the agreement is signed, binding or non-binding: (5.2)

Section 5.2 says the Working Understandings are not binding, but they are binding if SRP does not agree to change them. It takes the approval of both parties to change the Working Understandings. Per section (5.4) You cannot change the land color designations after the agreement is signed. They are not Working Understandings, they are land parcel designations assigned by SRP in a hasty haphazard fashion. The Working Understandings can be modified if both parties agree as described in section 5.4. The modification is called a "common determination" change. But this does not affect the Land Parcel records. The Working Understandings are "preliminary and common understandings" on how to determine Historic Water Use as defined in the 4.2 8 definitions section. The Working Understandings are not land parcel records.

The VDC being limited by this agreement:

The VDC is required to enforce this agreement on its members after the agreement is signed: (12.4)

The property owners will have to sue our own Verde Ditch Company if there is a dispute between the property owner and the MOU agreement. VDC has to uphold the rules of this MOU. You will be suing your own assessment dues.

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A.R.S applies:

The controlling law is not limited to the Hance v. Arnold court like this section tries to say: (15)

We have the right to all Arizona State Statues for redress, especially for a hearing on the Severance of water rights. But the individual property owners will have to take VDC and SRP to court for regress. That will be expensive.

Green Orange & Purple Lands:

(6.1) SRP will not contest the Historic Water Use of the Green or the Orange Lands.

What about the Purple Lands, They will probably contest the Purple Lands Water use and move to make those water rights abandoned.

Stated here.

(7.2) SRP will not contest the Historic Water Use of the Green Lands.

Stated here.

(11) Reasonable progress towards completion..

SRP says they will transfer historic water use to the Orange lands and agree upon the existence of Historic Water use for the Green lands. They say nothing about Historic water use for the Purple Lands. Apparently the Purple Lands will not receive Historic Water Rights.

(12.2) SRP will not contest the Historic Water Use of the Green or the Orange Lands.

What about the Purple Lands, They will probably contest the Purple Lands Water use and move to make those water rights abandoned.

Summary of the Purple Lands Loosing their water rights. This MOU does not recognize the Purple Lands as having Historic Water Rights after this MOU is completed. The Verde Ditch Company will have to abide by this agreement and most likely shut the water off to these Purple Land Owners. That will start the lawsuits flowing.

This is only a survey, it is not binding on anyone and you do not have to sign it.

We will submit this survey to Judge Mackey and the Verde Ditch Company only.

Circle the choice you want and X-off the choice you do not want

Exhibit 6		Which way would you vote on this MOU as it stands right now?	Would you consider transferring or selling any of your water rights to someone else?	Would you like to see a debate on this MOU between SRP and a Verde Ditch Shareholder.
Name	Address			
Pete Mallick	1185 S. Canal Circle CV.	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Wayne See	1138 CANAL CIRCLE	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Frank Tompkins	1036 CANAL CIRCLE	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
		Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>
David Whitt	1216 Canal Cir	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>
Dee Whitt	1216 Canal Circle	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Edwin Erick	P.O. Box # 1065 Camp Verde AZ	Yes <u>MOU</u> - No MOU	Yes <u>MOU</u> - No MOU	Yes <u>MOU</u> - No MOU
KAREN PHILLIPS	1861 N. RIVER VIEW DR. CAMP VERDE, AZ 86322	Yes MOU - No <u>MOU</u>	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Theresa Rose	1832 N. River View Dr.	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Danell Williams	2475 SAT	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
SUE T. DAVIS	2980 S. Lincoln Dr Camp Verde	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes ? - No
Roger & Leslie Bushnell	1097 S. Canal Circle Camp Verde, AZ	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
Mike REEDY	1167 Canal Circle Camp Verde	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
HAL WINDMANT	1226 Canal Circle	Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU
		Yes <u>MOU</u> - No MOU	Yes MOU - No <u>MOU</u>	Yes <u>MOU</u> - No MOU

We will submit this survey to Judge Mackey and the Verde Ditch Company only.

Circle the choice you want and X-off the choice you do not want

[illegible]

We will submit this survey to Judge Mackey and the Verde Ditch Company only.

Circle the choice you want and **X-off** the choice you do not want

[illegible]

Present owner, Verde Ditch Company, a corporation, with 10 shares of stock.

Robinson & Woolf (1895) say this ditch was begun in 1890 but covered the same land formerly irrigated by "the Old Camp Verde Ditch", besides some new land both above and below Camp Verde. They give the capacity at 1000 M.I., but do not give the area irrigated.

Stroud & Frothero (1899) give the capacity as 1000 M.I. and area irrigated at 1000 acres. They say it covers the old Government farm and was enlarged in 1889. They give the following dates applying to land irrigated:

Mr. Head	50 Acres	- 1895
Mr. Stephens	80 "	- 1895
Geo. Hance	100 "	- Prior to 1899.

A. Turney, (1901) gives the capacity at 1042 M.I. and area as 1200 acres, about half of which he states are among the oldest lands on the river.

Park Latimer (1908) gives the area at 1123 acres.

H. L. Hancock (1914) gives the ditch capacity as 1150 M.I. and area as 1170 acres. Hancock says the upper end of the ditch was built by the Government for Indians and Sales Arnold in 1868 and that the lower end was built in 1871 by R. C. Campbell, John Davis, John Wood, Abe Kuntz and Jackson Thompson.

The only water right filing found of record was as follows:-

Mar. 20, 1891, recorded at page 224 of Bk. 2, M & W.

John Davis, John Wood, and James Brown claim 5000 M.I. to be diverted from the Verde River, about 100 yards north of Fort Verde Military Reservation, with notice of intention to extend the "Verde Irrigation Canal", etc.

The portion of T. 13N., R. 5E. outside the Camp Verde Military reservation was surveyed by the G. L. O. in December 1873. The plat makes careful note of ditches and irrigation on the east side of the Verde but shows the west side entirely vacant. A careful check of the earliest homestead and other entries show the following:-

John Davis, John Wood and James Brown, who made the 1891 filing above noted, Nov. 10, 1874, Oct. 13, 1873 and Feb. 15, 1879 respectively.

R. C. Campbell, mentioned by Hancock among the four individuals stated by him to have built the lower end of the old ditch in 1871, filed on his homestead Jan. 10, 1874. Geo. Hance, mentioned by Stroud & Frothero as irrigating 100 acres in 1899, made his filing June 9, 1891.

- exhibit 8

STATEMENT OF CLAIM
OF
THE VERDE DITCH COMPANY
(a non-profit association)



The Verde Ditch, also known as Woods Ditch, receives its water at a point on the Verde River in the Southeast Quarter of the Northeast Quarter of Section Fourteen (14), Township Fourteen (14) North, Range Four (4) East, Gila and Salt River Base and Meridian, Yavapai County, Arizona, and the ditch runs in a Southeasterly direction for approximately seventeen (17) miles, more or less and re-enters the Verde River in the Northwest Quarter, of the Northwest Quarter of Section Thirty-Four (34), Township Thirteen (13) North, Range Five (5) East. (Exhibit 2)

The earliest appropriation concerning the use of water by the members of the ditch appears to be the year 1868 as reflected by Exhibit 1 attached hereto, which is a true copy of a report taken from the T. A. Hayden Report of 1940.

A certified copy of the Location Notice of John Davis, John Wood and James Brown referred to in the T. A. Hayden Report which is dated March 30, 1891, and was recorded October 3, 1891, in Book 2 of Millsites and Water Rights, Page 224, in the records of the office of the County Recorder of Yavapai County, Arizona, is attached hereto and marked Exhibit 3.

Under date of March 23, 1909, Conclusions of Law and Judgment (Exhibit 4) was entered by the District Court of the Fourth Judicial District of the Territory of Arizona in and for the County of Yavapai, which established a procedure for operating and maintaining the Verde Ditch and the Lower Verde Ditch. Subsequently, Orders of the Court embraced the appointment of Ditch Commissioners to implement the Orders of the Court, and includes the appointment of Ted Allert, Vernon Hilbers and Glen W. Everett as the Commissioners. The operation of the Verde Ditch has functioned since March 23, 1909, under authority of the Court.